

**MINUTES OF REGULAR MEETING
OPEN SESSION
March 22 and 23, 2011
ILLINOIS GAMING BOARD
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Tuesday, March 22, 2011 a Regular Meeting of the Illinois Gaming Board ("Board") was held on the 3rd floor at 160 N. LaSalle, Chicago, Illinois.

On Tuesday, March 22, 2011 at approximately 9:30 A.M. the following Board members were present: Members Charles Gardner, Eugene Winkler, Joseph Moore and James Sullivan. Chairman Jaffe participated via telephone. At 9:35 A.M. on Tuesday, March 22, 2011, Member Gardner called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat gambling Act, Member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

1. **Personnel matters;**
2. **Investigations concerning applicants and licensees; and**
3. **Closed session minutes.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by voice vote. The Board recessed at 1:30 P.M.

On Wednesday, March 23, 2011 the meeting reconvened at 11:33 A.M. Present were the following Board Members: Members Charles Gardner, Eugene Winkler, James Sullivan and Joseph Moore. Chairman Jaffe participated via telephone.

The Board remained in Closed Session until approximately 12:20 P.M. The Board recessed and went into open session at 1:15 P.M. Present were the following Board Members: Members Charles Gardner, Eugene Winkler, James Sullivan and Joseph Moore. Chairman Jaffe participated via telephone.

APPROVAL OF MINUTES

Member Moore moved that **the Board approve the open session minutes of its Regular Meeting of February 16, 2011.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

OWNER LICENSEE ITEMS

- Midwest Gaming & Entertainment, LLC – Hilary Cohen – Ownership Approval

Based on a review of staff's investigation and recommendation, Member Moore moved **to approve the following individual, who is a "minority person" or "female" as defined under the Illinois Riverboat Gambling Act and who intends to indirectly own interest in Midwest Gaming & Entertainment, LLC through Casino Investors, LLC.**

1. Hilary Cohen.

Member Moore further moved **pursuant to Section 3000.235 of the Adopted Rules to approve the corresponding redemption of interests in Midwest Gaming Holdings, LLC from CVG Chicago Gaming, LLC and High Plains Gaming, LLC and the issuance of interests to Casino Investors, LLC consistent with the financing documents previously provided to the Board.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Hollywood Casino Aurora, Inc. – Don William Zlevor, Security Manager, Level One
Based on staff's investigation and recommendation, Member Sullivan moved that **the Board approve Don William Zlevor as an Occupational Licensee Level One in the position of Security Manager for Hollywood Casino-Aurora, Inc., in Aurora, Illinois.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

ITEM FOR INFORMATION –

- Midwest Gaming & Entertainment, LLC – Project update

Greg Carlin CEO for Midwest Gaming & Entertainment, LLC appeared before the Board and initiated the presentation.

The following are topics that were discussed during the presentation:

Experienced Gaming Company:

Rush Street Gaming – Rush Street Gaming provides oversight services to the following casinos:

Riverwalk and Rivers Casino in Pittsburgh, PA, Sugar House Casino in Philadelphia, PA. and Rivers Casino in Des Plaines, IL .

Greg Carlin – CEO

David Patent – Chief Operating Officer

Mike Bowman – Strategic Planning Operations

Al Liu – Director of Marketing

Jose Scibetta – Director of Service Operations

Suzanne Trout – Chief Marketing Officer for Rush Street Gaming.

Building a First Rate Executive Team at Midwest Gaming

General Manager and Executive Team on Board:

Bill Keena – General Manager

Diverse group of 13 additional senior executives hired, including operations/gaming, HR, F&B, finance/accounting, compliance, and surveillance

Executive Team – 21% Minority

Construction – On Time and On Budget:

- Created approximately 850 construction jobs from start to finish
- Construction is on time and on budget
- The Casino is exceeding minority and women contract dollar goals.

On track to be first LEED Certified casino in U.S.:

- LED light fixtures
- Regionally sourced construction materials
- High recycle content building materials
- High efficiency HVAC systems
- Green walls
- Non-irrigated landscaping (native species)
- Bike racks and shower facilities for team members
- Single stream recycling
- Free valet parking for hybrid/electric vehicles

The casino will house a variety of great venues such as:

- Casual Grill
- Quick Service
- High Limit Area/Lounge
- Casino Bar
- Buffet
- Coffee/Dessert/Sundry
- Hugo's Frog Bar & Chop House
- Sports Bar/Entertainment

Midwest Gaming is committed to responsible gaming:

- Mandatory team member training for responsible gaming and responsible alcohol awareness programs
- Extensive customer awareness program
- Strong commitment to prevent underage gaming

All F&B venues located behind admission turnstiles resulting in “21 and over” only facility

Commitment to Community and Team Members:

- Donate greater of \$1 million or 2% of pretax income for college scholarships and education programs
- Foster team member diversity, a great work environment, and career development
- Promote supplier diversity

JOB FAIR – APRIL 8th

Hiring approximately 1,000 team members

Hiring Goals – Minorities, 30% - Women 40%

Located at Stephens Convention Center

SUPPLIER LICENSEE ITEM

- WMS Gaming, Inc. – Supplier Renewal

Based on a review of staff’s investigation and recommendation, Member Winkler moved that **the Board approve the renewal of WMS Gaming, Inc.’s Supplier’s License for a period of four (4) years expiring in March, 2015.**

Member Winkler further moved that **the Board designate and approve the following positions, entities and persons as Key Persons of WMS Gaming, Inc.:**

- 1. Chief Executive Officer;**
- 2. President;**
- 3. WMS Industries, Inc.;**
- 4. Brian Gamache; and**
- 5. Orrin J. Edidin.**

Member Winkler further moved **that WMS Gaming, Inc. be authorized and approved to supply the following to Illinois Owner Licensees:**

- 1. Electronic Gaming Devices (EGDs).**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Spielo Manufacturing ULC – Walter G. Bugno, Chief Executive Officer Gaming Solutions-Lottomatica Group– Key Person

Based on a review of staff’s investigation and recommendation, Member Winkler moved **to approve Walter G. Bugno as a Key Person of Spielo Manufacturing ULC in his position as Chief Executive Officer of Gaming Solutions – Lottomatica Group.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

OCCUPATIONAL LICENSES APPROVALS & DENIALS – LEVEL 2s & 3s

Based on staff's investigation and recommendation, Member Moore moved that **the Board approve 46 applications for an Occupational License, Level 2, and 88 applications for an Occupational License, Level 3.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

PROPOSED COMPLAINT AND DISCIPLINARY ACTION

- Shane A. Ischar – Occupational Licensee

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board issue a Disciplinary Complaint against Shane A. Ischar, an Occupational Licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Sullivan moved that **the Board fine Shane A. Ischar \$500. Said fine not to be paid directly or indirectly by the Owner Licensee and said action to take effect twenty-one (21) days from the date of service of the complaint unless the Licensee files an Answer within that time period.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Terence D. McCranie – Occupational Licensee

Based on staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Terence D. McCranie, an Occupational Licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Winkler moved that **the Board fine Terence D. McCranie \$500. Said fine not to be paid directly or indirectly by the Owner Licensee and said action to take effect twenty-one (21) days from the date of service of the complaint unless the Licensee files an Answer within that time period.** Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- Lawrence C. Miller – Occupational Licensee

Based on staff's investigation and recommendation, Member Moore moved that **the Board issue a Disciplinary Complaint against Lawrence C. Miller, an Occupational Licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Moore moved that **the Board fine Lawrence C. Miller \$500. Said fine not to be paid directly or indirectly by the Owner Licensee and said action to take effect twenty-one (21) days from the date of service of the complaint unless the**

Licensee files an Answer within that time period. Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Jennifer A. Crum – Occupational Licensee

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board issue a Disciplinary Complaint against Jennifer A. Crum, an Occupational Licensee, due to her conviction for Theft By Deception, a crime of dishonesty.**

Further, Member Sullivan moved that **the Board revoke Jennifer A. Crum's Occupational License. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the Licensee files an Answer within that time period.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Alberto T. Riscos – Occupational Licensee

Based on staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Alberto T. Riscos, an Occupational Licensee, due to his admission of violating the \$200 maximum buy-in limit during a game of Texas Hold'em when he played \$500 in black chips.**

Further, Member Winkler moved that **the Board revoke Alberto T. Riscos's Occupational License. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the Licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Caesars Entertainment Corporation – Key Person

Based on staff's investigation and recommendation, Member Moore moved that **the Board issue a Disciplinary Complaint against Caesars Entertainment Corporation, a Key Person, based upon its failure to adequately review duplicate patron accounts as a result of Caesars' acquisition of Planet Hollywood. This failure caused some Illinois SEPs to receive promotional materials from Harrah's Joliet Casino & Hotel and Harrah's Metropolis Casino.**

Member Moore further moved that **the Board impose a fine of \$100,000 on Caesars Entertainment Corporation. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

Administrator Ostrowski stated that the June Regular Board meeting was re-scheduled from June 21 and 22, 2011 to June 13 and 14, 2011. The Administrator also stated that Harrah's

Metropolis Casino was closed for a few days due to the threat of flood waters from the Ohio River.

At 2:10 P.M. Member Winkler motioned to adjourn and Member Sullivan seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator